



U.S. Immigration  
and Customs  
Enforcement

March 13, 2006

# News Release

## **ICE PARTNERS WITH ARGENTINA, BRAZIL & PARAGUAY IN CREATING TRADE TRANSPARENCY UNITS TO COMBAT MONEY LAUNDERING & TRADE CRIMES** *-- Financial Crimes in South America's Tri-Border Area to be a Key Focus of the New Units --*

WASHINGTON, D.C. – Julie L Myers, Department of Homeland Security Assistant Secretary for U.S. Immigration and Customs Enforcement (ICE), today announced that ICE is teaming up with the governments of Argentina, Brazil, and Paraguay to create new Trade Transparency Units to combat trade-based money laundering and other financial crimes in their nations and in the shared Tri-Border Area.

The creation of the TTUs is part of an ongoing U.S. initiative by the Department of Homeland Security, the Department of State, and the Department of Treasury. In early 2005, ICE worked with the government of Colombia to establish the first foreign TTU in Colombia. In late 2005 and early 2006, ICE received \$750,000 from the Department of State and \$1.5 million from the Department of Treasury to establish, equip and make operational TTUs in Argentina, Brazil, and Paraguay.

Under this initiative, ICE and law enforcement agencies in Argentina, Brazil, and Paraguay are creating dedicated units and joint computer databases to facilitate the exchange of export/import data and financial information. ICE has already begun exchanging trade data with each of these three nations. By jointly analyzing the shared data, these Trade Transparency Units will be able to detect and investigate anomalies in international commerce that may be indicative of trade-based money laundering or other criminal activities.

In the past, joint efforts by ICE and other foreign governments to combat trade-based money laundering have yielded successful results. In one case, ICE was able to compare U.S. import data with export data provided by a South American nation to find that the amount of gold imported to the United States from this nation far exceeded that country's total gold production. A subsequent ICE investigation found that large quantities of gold were being recycled into and out of the United States from this nation as part of a massive drug money laundering scheme. The probe also revealed that the South American government had lost some \$20 million as a result of paying out fraudulent gold export subsidy claims in connection with this scheme. One of resulting ICE cases led to the prosecution of nearly 20 New York jewelers for money laundering in 2004.

Accordingly, the new Trade Transparency Units in Argentina, Brazil, and Paraguay will investigate and prosecute crimes related to trade-based money laundering. They will also target alternative remittance systems; terrorist financing; contraband smuggling; tax evasion and other crimes. The new units will not only help authorities in these nations combat domestic financial crimes, but will also enhance the ability of the United States to target money laundering rings that operate both in South America and the United States.

### **The Tri-Border Area:**

One key focus of the TTUs in Argentina, Brazil, and Paraguay will be financial crimes in the Tri-Border Area, which is bounded by Puerto Iguazu, Argentina; Foz do Iguacu, Brazil; and Ciudad del Este, Paraguay.

The United States has long believed that the Tri-Border Area is a source of fundraising for radical Islamic groups, including Hezbollah and Hamas. The U.S. government has worked cooperatively with governments in the region to disrupt this fundraising activity. The Tri-Border Area is also believed to be South America's busiest contraband and smuggling center, where billions of dollars annually are generated from arms trafficking, drug smuggling, counterfeiting, Intellectual Property Rights violations, and other crimes.

"Trade-based money laundering is an enormous problem that few people understand. The governments of Argentina, Brazil and Paraguay have long recognized this threat and are moving quickly to address the problem. Building on our joint efforts with Colombia, ICE is pleased to work with these nations in creating Trade Transparency Units and joint databases that are specifically devoted to combating this problem," said ICE Assistant Secretary Myers.

### **DARTT computer database:**

To assist these overseas TTUs, ICE employs a specialized database called the Data Analysis and Research Trade Transparency system or "DARTT," which is designed to detect and track money laundering, contraband smuggling and trade fraud. DARTT is the heart of the Trade Transparency concept, not only because of its superior analytical capabilities, but also because of its ability to accept foreign trade data and securely share U.S. trade data with foreign partners.

DARTT is an outgrowth of the Numerically Integrated Profiling System, which the former U.S. Customs Service developed and successfully used for many years to detect international trade-based money laundering and customs fraud. The DARTT program is housed at the Trade Transparency Unit in the Office of Financial and Trade Investigations at ICE headquarters in Washington, D.C.

The functionality of the DARTT program, together with ICE's authority to enter into Customs Mutual Assistance Agreements with foreign nations, and the existence of more than 50 ICE Attaché offices around the world have placed ICE in a unique position to lead U.S. efforts against trade-based money laundering.

**# ICE #**

*U.S. Immigration and Customs Enforcement was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of four integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.*